



02-60

STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285

DAVE GOETZ
COMMISSIONER

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Federal Communications Commission
Office of the Secretary

August 7, 2007

Deborah Taylor-Tate, Commissioner
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Commissioner Tate, *Debi*

It was terrific to speak with you yesterday and catch up on what is happening at both the state and federal levels around broadband connectivity. We are very encouraged by the commitment that the FCC has shown specifically around connectivity for the health care sector and the promotion of TeleHealth.

In Tennessee we have already taken the first step toward the advancement of TeleHealth by providing \$1.6 million in seed funding to provide broadband connectivity and specialist services for 43 federally qualified health centers providing care for disadvantaged and isolated populations across our state.

Our express hope is that the FCC will look favorably upon our application to the USAC's Rural Health Care Pilot Program and we will be able to build upon our initial investment and expand the scope of these initiatives. Specifically, the Community Health Network, in collaboration with the University of Tennessee at Memphis Health Science Center and the State of Tennessee, could expand this initiative to an additional 400 sites across rural Tennessee with FCC funding.

As you know, 67 of Tennessee's 95 counties are designated rural by FCC standards. Of those, 33 have 10 or fewer licensed physicians across the entire county. Some counties have no physicians at all. It begins to explain at least one factor in Tennessee's ranking of 47th in the nation in overall health status. In order to facilitate a higher quality of care across Tennessee we have to find ways to use technology and make it more cost effective to bring care to our rural areas.

The Tennessee TeleHealth Network is designed to achieve long term sustainability for both the broadband connectivity achieved and the specialists' services delivered. First, by using the state's existing private internet backbone, TNII, community physicians will be able to get secure, private broadband at state negotiated rates – a significant savings for a very high quality service.

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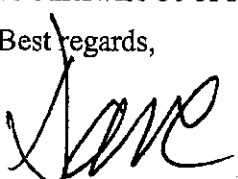
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Secondly, there is the question of remuneration for TeleHealth services. One of the most formidable challenges in the administration of TeleHealth is that standard billing codes are not set up to allow for insurance charges for TeleHealth consultations – clearly a prerequisite for sustainability in these initiatives. However, by working with representatives from the insurance industry serving on the Governor's eHealth Council, CHN is developing payment standards for these kinds of services that will assure a standard process for remuneration on an ongoing basis.

I understand that other interested parties in Tennessee have also applied for funding from the Rural Health Care Pilot Program. Let me leave no doubt in your mind; if the FCC should see fit to fund the various Tennessee applications, the State and the Governor's eHealth Council will make every effort to collaborate with these parties and see that these initiatives are pursued in a cohesive and interoperable fashion. The eHealth Council was put in place for just this purpose – to maximize the impact of otherwise disparate health information technology initiatives across our state and make the best use of scarce resources for the greatest benefit of Tennesseans long term. This is our commitment to you and to the people of Tennessee.

Thanks again for your time, your attention, and for all you do for the advancement of our communities nationwide. Feel free to call me at any time if I can answer further questions or otherwise be of service to the FCC.

Best regards,

 *Thanks!*

M.D. Goetz, Jr.

MDG:aa:pp

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